



Labour Market Bulletin

Newfoundland and Labrador

June 2016



This Labour Market Bulletin is a report providing an analysis of Labour Force Survey results for the province of Newfoundland and Labrador, including the regions of Avalon Peninsula, West Coast—Northern Peninsula—Labrador, Notre Dame—Central—Bonavista Bay and South Coast—Burin Peninsula.

OVERVIEW

Between the first quarter (Q1) and second quarter (Q2) of 2016, employment in Newfoundland and Labrador increased by 6,700 jobs. During this period, the size of the labour force increased by 2,100. As a result, the unemployment rate decreased by 1.8 percentage points to 12.1%. Job gains were mainly in full-time employment (+4,900).

Compared to a year ago, the unemployment rate was 0.8 percentage points lower. Labour force size decreased by 300 while employment increased by 1,800 jobs over this time. Of note, full-time employment had a loss of 3,400 jobs while part-time employment increased by 5,300 jobs.

Newfoundland and Labrador Quarterly Labour Force Statistics

| Seasonally Adjusted Quarterly Data | 2nd Quarter 2016 | 1st Quarter 2016 | 2nd Quarter 2015 | Quarterly Variation | | Yearly Variation | |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|-------|------------------|------|
| | | | | Number | % | Number | % |
| Population 15+ ('000) | 444.2 | 443.5 | 443.0 | 0.7 | 0.2 | 1.2 | 0.3 |
| Labour Force ('000) | 270.3 | 268.3 | 270.7 | 2.1 | 0.8 | -0.3 | -0.1 |
| Employment ('000) | 237.7 | 231.0 | 235.9 | 6.7 | 2.9 | 1.8 | 0.7 |
| Full-Time ('000) | 199.5 | 194.6 | 202.9 | 4.9 | 2.5 | -3.4 | -1.7 |
| Part-Time ('000) | 38.2 | 36.4 | 32.9 | 1.8 | 4.9 | 5.3 | 16.0 |
| Unemployment ('000) | 32.6 | 37.2 | 34.8 | -4.6 | -12.4 | -2.2 | -6.2 |
| Unemployment Rate (%) | 12.1 | 13.9 | 12.9 | -1.8 | - | -0.8 | - |
| Participation Rate (%) | 60.9 | 60.5 | 61.1 | 0.4 | - | -0.2 | - |
| Employment Rate (%) | 53.5 | 52.1 | 53.3 | 1.4 | - | 0.2 | - |

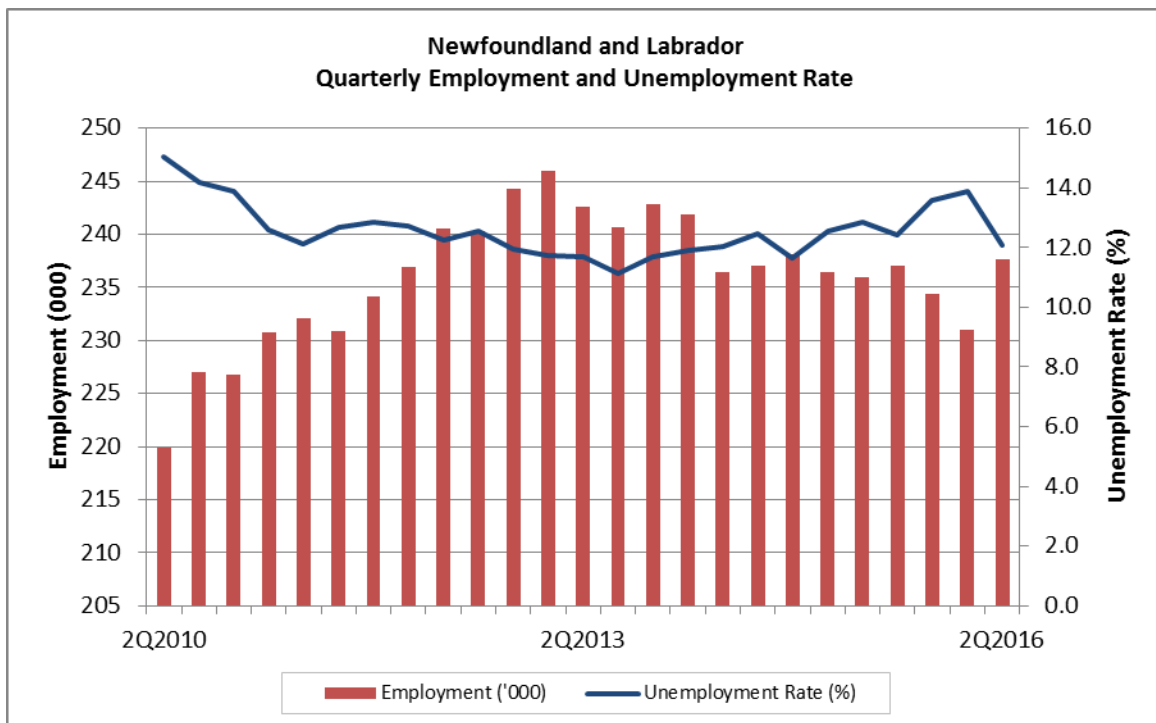
Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

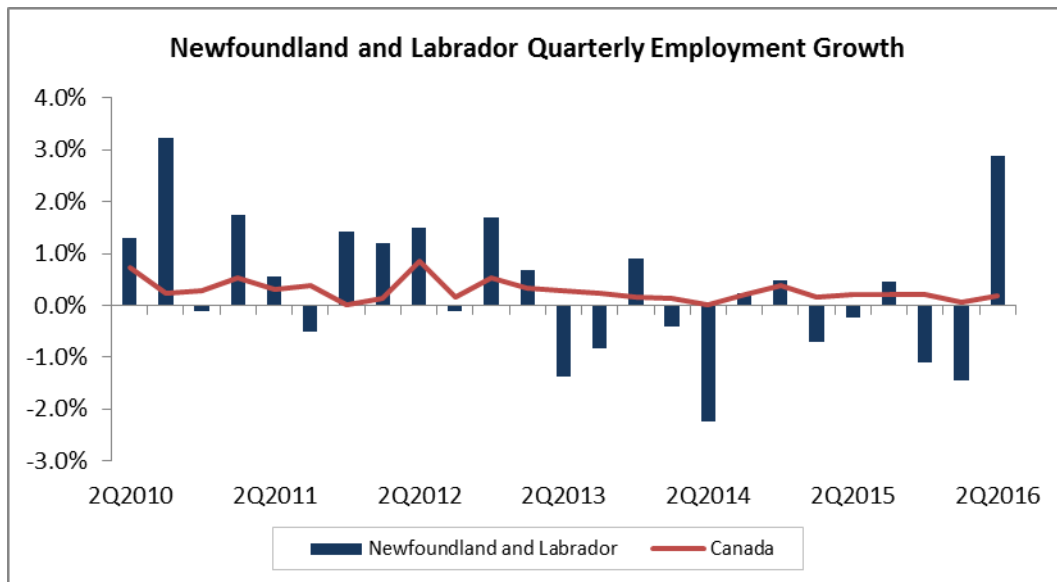
After reaching a record quarterly high of 246,000 in the first quarter of 2013, employment has generally trended downward in Newfoundland and Labrador. This has been mainly due to job losses in the **Services-producing sector (Public administration, Educational services, Transportation and warehousing, Health care and social**

assistance), as well as the **Goods-producing sector (Forestry, fishing, mining, quarrying and oil and gas)**. **Construction** employment has been relatively strong in the province, though it had 1,000 fewer jobs than the record quarterly high reached in Q4 of 2014 (down 4.5%). A key contributor to **Construction** employment has been the presence of major projects in oil and gas as well as hydroelectricity. **Trade** employment reached a new high in Q2 2016 and has been steadily increasing since the start of 2013.

A broader look at the data shows the province’s unemployment rate has been on a generally upward trend since it reached a quarterly low of 11.1% in the third quarter of 2013, mostly due to a decrease in employment as the size of the labour force has remained relatively steady since then. However, the most recent quarter showed a relatively strong employment gain, contrary to the recent trend. This moved the unemployment rate to its lowest quarterly level since Q4 2014. Full-time employment had a notable increase after three quarters of decline.



Since Q2 2013 the province has generally lagged behind the country in its pace of employment growth. However, the most recent quarter was an exception to this trend. Newfoundland and Labrador’s rate of quarterly employment growth (+2.9%) was notably stronger than the national rate (+0.2%). Provincial employment growth in the quarter displayed a considerably large rebound (+6,700) after experiencing two straight quarters of relatively strong quarterly employment declines (-2,600 and -3,400). Quarterly employment growth in the province had its greatest increase since Q3 2010.



The unemployment rate for those aged 25 years and older decreased from 13.6% in the first quarter of 2016 to 12.0% in the second quarter. Employment increased by 7,000 jobs while the labour force size showed a gain of 3,800. There were notable job gains in both full-time (+4,300) and part-time employment (+2,700). A year ago the quarterly unemployment rate for this group was 12.1%, with the labour force and employment both showing small gains. Employment levels were on a generally downward trend in recent years, with 13,600 fewer jobs in Q1 2016 than in Q4, 2013. However, the most recent quarter was quite a contrast to this trend, showing the strongest quarterly employment gain (+7,000) since Q4 1998, when employment grew by 7,600 jobs.

For males 25 years and older, the unemployment rate decreased from 16.4% in Q1, 2016 to 14.1% in Q2 2016. Employment increased by 4,200 jobs while the size of the labour force grew at a slower pace (+1,600). Full-time employment (+2,500) and part-time employment (+1,700) both showed gains from the previous quarter. Compared to the same quarter last year, employment was higher by 1,500 jobs with 1,300 of these jobs being part-time positions. The size of the labour force increased at a slower pace, with 1,200 more people than in the second quarter of 2015. This lowered the unemployment rate by 0.4 percentage points from 14.5% a year ago.

For females 25 years and older, the unemployment rate decreased to 9.7% from 10.5% in the previous quarter. Employment increased by 2,800 jobs, while the size of the labour force showed a gain of 2,200 people. Job growth was notable in full-time (+1,800) and part-time employment (+1,000). Employment for this group was up by 500 jobs from the second quarter of 2015, while the size of the labour force increased by 600. This resulted in a rise in the unemployment rate of 0.1 percentage points compared a year ago. Full-time employment declined by 2,300 jobs from a year ago while part-time employment increased by 2,700 jobs.

The unemployment rate for youth (aged 15 to 24) decreased in Q2 by 3.2 percentage points to reach 12.5%. This was a record quarterly low for this group. The decrease in the unemployment rate was mainly the result of a shrinking labour force. There was an employment loss of 400 jobs since the previous quarter, but the size of the labour force declined at a faster rate, with 1,800 fewer people working or actively looking for work. The youth unemployment rate was 4.8 percentage points lower than it was a year ago, when it was 17.4%. While employment was virtually unchanged from a year ago, the size of the labour force experienced a notable decrease (-2,200). This has resulted in a lower unemployment rate, year over year, despite little change in employment.

Newfoundland and Labrador Quarterly Unemployment Rates, by Gender and Age

| Seasonally Adjusted Data | 2nd Quarter | 1st Quarter | 2nd Quarter | Quarterly Variation | Yearly Variation |
|---------------------------|-------------|-------------|-------------|---------------------|------------------|
| | 2016 (%) | 2016 (%) | 2015 (%) | (% points) | (% points) |
| Total | 12.1 | 13.9 | 12.9 | -1.8 | -0.8 |
| 25 years and over | 12.0 | 13.6 | 12.1 | -1.6 | -0.2 |
| Men - 25 years and over | 14.1 | 16.4 | 14.5 | -2.3 | -0.4 |
| Women - 25 years and over | 9.7 | 10.5 | 9.6 | -0.7 | 0.1 |
| 15 to 24 years | 12.5 | 15.7 | 17.4 | -3.2 | -4.8 |
| Men - 15 to 24 years | 14.5 | 20.3 | 24.5 | -5.8 | -9.9 |
| Women - 15 to 24 years | 10.5 | 10.9 | 11.1 | -0.4 | -0.6 |

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0087

In the second quarter (Q2) of 2016, the total population aged 15+ in the Atlantic Provinces was 1.97 million. The Indigenous population living off-reserve accounted for 3.4% of that, or 66,700 people. Employment among the Indigenous population stood at 33,200 representing a decline of -4,900 (-12.9%) from a year earlier. The declines were in both full-time (-4,000 or -12.9%) and part-time (-900 or -12.5%) positions.

In Q2 2016, the unemployment rate among the Indigenous population increased significantly from Q2 2015 to 19.8%, a +6.4 percentage point (pp) increase, while that of the non-Indigenous population declined slightly to 9.3% (-0.8pp). Year-over-year, the participation rate among the Indigenous population declined by a substantial margin to 62.0% (-5.2%) and a smaller decline was seen amongst the non-Indigenous population whose participation rate stood at 62.5% in Q2 2016 (-0.6pp). The employment rate of the Indigenous population also declined significantly year-over-year to 49.7% (-8.5pp), and the employment rate amongst the non-Indigenous population remained unchanged at 56.7% (0.0pp) compared to a year earlier.

Atlantic Canada - Labour Market Indicators for Indigenous People

| 3-month moving averages Seasonally unadjusted data | Indigenous | | Yearly variation (Indigenous) | | Non-Indigenous | | Yearly variation (non-Indigenous) | |
|---|------------|---------|----------------------------------|--------|----------------|---------|--------------------------------------|-------|
| | Q2 2016 | Q2 2015 | number | % | Q2 2016 | Q2 2015 | number | % |
| Population 15 + ('000) | 66.7 | 65.4 | 1.3 | 2.0% | 1,910.7 | 1,905.2 | 5.5 | 0.3% |
| Labour Force ('000) | 41.4 | 44.0 | -2.6 | -5.9% | 1,194.4 | 1,202.2 | -7.8 | -0.6% |
| Employment ('000) | 33.2 | 38.1 | -4.9 | -12.9% | 1,083.1 | 1,080.4 | 2.7 | 0.2% |
| Full-Time ('000) | 26.9 | 30.9 | -4.0 | -12.9% | 901.9 | 903.7 | -1.8 | -0.2% |
| Part-Time ('000) | 6.3 | 7.2 | -0.9 | -12.5% | 181.3 | 176.7 | 4.6 | 2.6% |
| Unemployment ('000) | 8.2 | 5.9 | 2.3 | 39.0% | 111.3 | 121.8 | -10.5 | -8.6% |
| Unemployment Rate (%) | 19.8 | 13.4 | 6.4 | - | 9.3 | 10.1 | -0.8 | - |
| Participation Rate (%) | 62.0 | 67.2 | -5.2 | - | 62.5 | 63.1 | -0.6 | - |
| Employment Rate (%) | 49.7 | 58.2 | -8.5 | - | 56.7 | 56.7 | 0.0 | - |

Notes: The Labour Force Survey excludes those living on-reserve.

Estimates are based on three-month moving averages.

Totals may not add due to rounding.

Totals may be different from other tables due to adjustments done to indigenous statistics in the Labour Force Survey.

Source: Statistics Canada Labour Force Survey - ESDC custom table.

EMPLOYMENT BY INDUSTRY

In the second quarter of 2016, the **Goods-producing sector** gained 2,600 jobs compared to the first quarter of 2016. Most of the sector's job gains were in **Construction**, where employment increased by 1,600 jobs. **Forestry, fishing, mining, quarrying and oil and gas** showed a slight rebound from a decreasing trend over the past two years, gaining 500 jobs from the previous quarter. Despite the recent gain employment this industry was 20% lower than when it grew to 19,300 jobs in the first quarter of 2014. This was mainly due to mining and oil and gas activity.

The **Services-producing sector** gained 4,000 jobs in the second quarter of 2016 compared to the previous quarter. This was a contrast from the trend since the start of 2015, where employment in the sector had shown little change. Employment in the **Accommodation and food services** industry increased by 1,700 jobs to reach a new quarterly high. **Trade** employment also reached a new high with a very small gain over the previous quarter's record level. **Public administration** gained 1,400 jobs, showing a notable gain after experiencing a declining trend since the end of 2013. **Transportation and warehousing (+900)** and **Health care and social assistance (+700)** also had gains from the previous quarter. Employment in **Professional, scientific and technical services** has been declining since reaching a high in the second quarter of 2015, losing 700 jobs in the most recent quarter and 1,700 jobs from a year ago (-14.7%). Despite a gain of 300 jobs in the most recent quarter, **Educational services** had 1,100 fewer jobs than a year ago. The yearly loss represents a 7.5% decline.

Newfoundland and Labrador Quarterly Labour Force Statistics, by Industry

| Seasonally Adjusted Data ('000) | 2nd Quarter 2016 | 1st Quarter 2016 | 2nd Quarter 2015 | Quarterly Variation | | Yearly Variation | |
|---|---------------------|---------------------|---------------------|---------------------|------|------------------|-------|
| | | | | Number | % | Number | % |
| Total employed, all industries | 237.7 | 231.0 | 235.9 | 6.7 | 2.9 | 1.8 | 0.7 |
| Goods-producing sector | 53.1 | 50.5 | 53.4 | 2.6 | 5.2 | -0.4 | -0.7 |
| Agriculture | 1.2 | 1.2 | 1.6 | 0.0 | 0.0 | -0.4 | -24.5 |
| Forestry, fishing, mining, quarrying, oil and gas | 15.5 | 14.9 | 16.2 | 0.5 | 3.6 | -0.7 | -4.5 |
| Utilities | 2.8 | 2.4 | 2.8 | 0.4 | 16.4 | 0.1 | 2.4 |
| Construction | 22.7 | 21.1 | 21.8 | 1.6 | 7.6 | 0.9 | 4.1 |
| Manufacturing | 10.9 | 10.7 | 11.1 | 0.2 | 1.6 | -0.2 | -1.8 |
| Services-producing sector | 184.6 | 180.6 | 182.4 | 4.0 | 2.2 | 2.1 | 1.2 |
| Trade | 43.7 | 43.6 | 41.1 | 0.0 | 0.1 | 2.6 | 6.2 |
| Transportation and warehousing | 10.0 | 9.2 | 10.6 | 0.9 | 9.5 | -0.6 | -5.3 |
| Finance, insurance, real estate and leasing | 8.3 | 8.5 | 8.1 | -0.2 | -2.4 | 0.2 | 2.9 |
| Professional, scientific and technical services | 10.0 | 10.7 | 11.8 | -0.7 | -6.2 | -1.7 | -14.7 |
| Business, building and other support services | 7.2 | 7.5 | 6.6 | -0.3 | -3.6 | 0.6 | 9.6 |
| Educational services | 14.5 | 14.2 | 15.6 | 0.3 | 2.1 | -1.2 | -7.5 |
| Health care and social assistance | 39.1 | 38.4 | 36.8 | 0.7 | 1.7 | 2.3 | 6.3 |
| Information, culture and recreation | 7.2 | 6.9 | 7.5 | 0.3 | 4.4 | -0.3 | -4.4 |
| Accommodation and food services | 16.7 | 14.9 | 16.0 | 1.7 | 11.6 | 0.7 | 4.2 |
| Other services | 12.5 | 12.7 | 12.8 | -0.2 | -1.3 | -0.3 | -2.1 |
| Public administration | 15.6 | 14.1 | 15.8 | 1.4 | 10.1 | -0.2 | -1.3 |

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0088

REGIONAL ANALYSIS

On the **Avalon Peninsula**, the unemployment rate increased by 0.7 percentage points from a year ago to 9.3%, as the size of the labour force increased (+1,100) but employment was unchanged. A loss of 5,500 full-time jobs was offset by a gain of 5,500 part-time jobs. The **Services-producing sector** increased by 2,500 jobs compared to a year ago. Results were mixed in the sector. Industries with notable gains included **Trade (+4,000)**, **Educational services (+1,300)**, and **Business, building and other support services (+1,000)**. The largest losses were in **Professional, scientific and technical services (-1,500)**, **Health care and social assistance (-1,200)**, and **Public administration (-1,000)**. The **Goods-producing sector** lost 2,500 jobs compared to the same period a year ago. **Manu-**

facturing lost 1,400 jobs while **Construction** employment declined by 600. Other changes in the sector were relatively small.

The unemployment rate in the **South Coast–Burin Peninsula and Notre Dame–Central–Bonavista Bay** region was 16.4% in the second quarter of 2016, down from 17.5% twelve months earlier. Employment decreased by 1,700 jobs over the same period last year. The labour force decreased as well (-2,900), but at a slightly faster rate. Part-time employment accounted for 1,100 job losses. This was the second consecutive quarter with employment and labour force declines after experiencing gains since the first quarter of 2015. Employment in the **Goods-producing sector** showed a decline of 400 jobs from a year ago. A gain in **Construction** (+1,300) was outweighed by a loss of 1,700 jobs in **Forestry, fishing, mining, quarrying and oil and gas**. The **Services-producing sector** lost 2,000 jobs from a year ago. **Trade** employment declined by 2,400 jobs, the industry's first quarterly loss since March of 2015. **Educational services lost 2,200 jobs from a year ago**. This was the fourth straight quarter where declines have been reported in this industry. However, **Health care and social assistance** (+2,600) showed significant employment gains from a year ago. This was the fourth consecutive quarter that this industry has posted a notable decrease in the economic region.

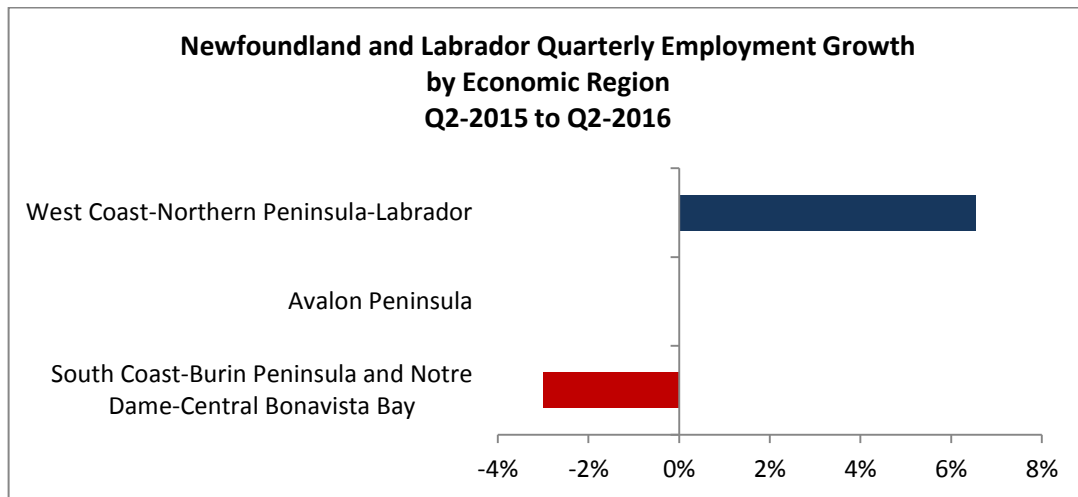
In the **West Coast–Northern Peninsula–Labrador** region, the unemployment rate decreased to 14.6% in the second quarter of 2016, down from 20.5% a year earlier. While the size of the labour force declined by 400 from a year ago, employment showed a gain of 2,700 jobs over the same period. The job gains were evenly split between full-time and part-time employment. This was the second consecutive quarter with notable employment gains after four consecutive quarters with employment losses. Employment gains were mainly in the **Services-producing sector** (+2,100). There were notable employment increases in **Trade** (+1,200), **Health care and social assistance** (+1,100) and **Accommodation and food services** (+800). The largest loss in this sector was in **Finance, insurance, real estate, rental and leasing** (-500). The **Goods-producing sector** gained 500 jobs compared to a year ago. The key factor in this was an increase of 1,000 jobs in **Forestry, fishing, mining, quarrying and oil and gas**. There was no change in **Construction** while **Manufacturing** lost 100 jobs.

Newfoundland and Labrador Quarterly Labour Force Statistics, by Economic Region

| 3-Month Moving Averages Seasonally Unadjusted Data | Employment | | | Unemployment Rate | | |
|--|-------------------------------|-------------------------------|----------------------------|----------------------------|----------------------------|-----------------------------------|
| | 2nd Quarter 2016 (‘000) | 2nd Quarter 2015 (‘000) | Yearly Variation (%) | 2nd Quarter 2016 (%) | 2nd Quarter 2015 (%) | Yearly Variation (% points) |
| Newfoundland and Labrador | 239.5 | 238.5 | 0.4 | 12.0 | 13.1 | -1.1 |
| Economic Regions | | | | | | |
| Avalon Peninsula | 140.7 | 140.7 | 0.0 | 9.3 | 8.6 | 0.7 |
| South Coast-Burin Peninsula and Notre Dame-Central Bonavista Bay | 54.9 | 56.6 | -3.0 | 16.4 | 17.5 | -1.1 |
| West Coast-Northern Peninsula-Labrador | 43.9 | 41.2 | 6.6 | 14.6 | 20.5 | -5.9 |

Note: Totals may not add due to rounding

Source: Statistics Canada Labour Force Survey – CANSIM Table 282-0122



Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For information on the Labour Force Survey, please visit the Statistics Canada Web site at: www.statcan.gc.ca

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